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Bids due for Supra

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Supra Telecommunications Inc. expects a expecting a round of bids Friday, Aug. 27, that will clear the way for an October auction of the Miami-based carrier.

“We’re in the process of picking a stalking horse,” said Kevin Neiman, a Miami bankruptcy lawyer who counsels Supra, along with Miami law firm Meland Budwick, P.A. and financial adviser Babcock Group LLC.

The telecom has until Sept. 14 to present the U.S. Bankruptcy Court for the Southern District of Florida in Miami with the terms of a preliminary sale agreement and the rules for an auction to seek a higher price.

Supra provides local, long-distance and Internet services in Florida and other states and reported more than $150 million in revenue in 2003. It filed for Chapter 11 protection in October 2002 amid a dispute with BellSouth Corp. of Atlanta. The companies have come to terms, and BellSouth’s initial claims of $170.3 million have been reduced to about $37 million, including general unsecured claims and cure amounts.

A hearing on the bidding procedures is tentatively scheduled for Sept. 21, and Oct. 13 has been set aside for an auction. Supra has until Oct. 1 to file a plan of reorganization, barring an extension from the court.